

Foreword

This notice replaces Notice 236 (January 2002). Details of changes to the previous version can be found in paragraph 1.2 of this notice.

Further help and advice

If you need general advice or more copies of Revenue and Customs notices, please ring the **National Advice Service on 0845 010 9000. You can call between 8.00 am and 8.00 pm, Monday to Friday.**

If you have **hearing difficulties**, please ring the **Textphone** service on **0845 000 0200**.

If you would like to speak to someone in **Welsh**, please ring **0845 010 0300, between 8.00 am and 6.00 pm, Monday to Friday.**

All calls are charged at the local rate within the UK. Charges may differ for mobile phones.

Other notices on this or related subjects

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1. About the notice, the law and your rights

1.1 What is this notice about?

It tells you about Returned Goods Relief (RGR), and explains how you can reimport goods in the same state they were in on previous export from:

- the Customs Union, and obtain total or partial relief from customs duty
- the EC, and obtain total or partial relief from VAT or CAP charges and
- the United Kingdom, and obtain relief from excise duty.

The conditions for relief are different for each type of duty or tax, and if you claim relief from more than one, you must meet the conditions for each.

The glossary at [section 9](#) explains the meaning of some of the words, phrases and abbreviations used.

Bear in mind that a claim to RGR does not override any import prohibition or restriction which may be in force for the goods you intend to reimport. You can find full information about the goods concerned in the Revenue and Customs Tariff, volume 1, part 3 or from our National Advice Service.

This notice concentrates on the arrangements for reimporting commercial goods. Please read Notice 3 Bringing your belongings and private motor vehicle to the UK from outside the EC if you want information on the reimportation of personal belongings, including private motor vehicles.

If you are temporarily exporting goods for process or repair and return, please read Notice 235 Outward processing relief (OPR). You cannot claim RGR on such goods when reimported in the processed or repaired state.

1.2 Changes from the earlier version of this notice

Paragraphs 2.9 and 2.10 now clarify that RGR can be claimed on parts, or the residue, of the goods previously exported, and that there are no post import restrictions applying to RGR goods.

[Section 4](#) now caters for the fact that we will:

- help determine the export duty status of the goods being reimported, and any amount of duty to be paid on them, where importers cannot get this information for themselves and
- consider alternative arrangements for regular importers of returned goods who have difficulty presenting supporting evidence at the time of import.

[Section 6](#) has been revised to reflect the new rules for VAT relief under Regulation 121D of the VAT Regulations 1995.

You can access details of any changes to this notice since April 2006 on our Internet website at www.hmrc.gov.uk.

This notice and others mentioned are available both on paper and on our Internet website.

1.3 What law covers this notice?

The law on which this notice is based is:

- For customs duty and CAP charges at import: Council Regulation 2913/92, articles 185-187 implemented by Commission Regulation 2454/93, articles 844-856. Decision 1/96 of the EC-Turkey Customs Co-operation Committee.
- For CAP export refunds: Commission Regulation 800/1999.
- For CAP import and export licences and advance fixing certificates for agricultural products: Commission Regulation (EEC) 1291/2000.
- For repayment of CAP export levy on returned goods: Commission Regulation 2454/93, article 903
- For VAT: The Value Added Tax Regulations 1995, Regulation 121D.
- For excise duty: The Customs and Excise Duties (General Reliefs) Act 1979, sections 10 and 11.

This notice explains our view of the law, and nothing in it overrides the law.

What do I do if I disagree with a Revenue and Customs decision?

If you disagree with a Revenue and Customs decision, you have the right to appeal against the decision. For full details see Notice 990 Excise and Customs Appeals.

2. Relief conditions

2.1 What are the conditions for relief from customs duty?

We outline the conditions for customs duty RGR in the checklist at [section 5](#).

In addition, you must comply with the following requirements if you claim customs duty RGR on reimported goods that were previously held under Inward Processing Relief (IPR) or end-use relief.

- **IPR goods.** You can claim RGR on the reimportation of non-free circulation goods (or goods incorporating non-free circulation components) which were previously relieved from customs duty under IPR arrangements, as long as you:
 - pay the amount of duty originally relieved under IPR;
 - meet all other relevant RGR conditions in the checklist at section 5; and
 - declare the goods to Customs Procedure Code (CPC) 40 00 58.Where goods have been imported more than once under IPR, the sum you must pay for RGR purposes is the amount which would have been due had the goods been diverted to free circulation after completion of the last IPR transaction. You must include details of the amount previously relieved under IPR on Form C1314 which is to accompany the import declaration Form C88.
- **End-use goods.** You can claim RGR on reimported goods which were previously imported under end-use relief, as long as you meet all the relevant conditions in the checklist at [section 5](#). If you reimport the goods to end-use again, you can claim relief from paying a reduced rate of duty under end-use by using RGR. To claim both end-use relief and RGR, declare the goods to the appropriate end-use CPC (for example, 94 00 38) and include the statement 'Relief claimed under Council Regulation 2913/92, Articles 185-187' in Box 44 of Form C88. If you do not reimport the goods to end-use again, you can use RGR to reduce the amount of duty due on reimport by an amount equal to any duty paid under end-use at the time of previous importation. If the amount of duty paid on the previous importation is more than the full amount due on reimport, we require no further payment BUT we cannot give any refund. You must declare the goods to CPC 40 00 58 for RGR purposes and complete Form C1314.

You can find further information about IPR and end-use in Notices 221 Inward Processing Relief and 770 Imported goods: end-use relief.

RGR is not limited to goods moving solely between the UK and third countries. You can also claim customs duty and CAP RGR on "triangulation" goods.

2.2 What is triangulation?

Triangulation is the exportation of goods from one Customs Union country to a third country, followed by their reimportation into another Customs Union country - for example, France to America and then back to the UK. If you reimport such goods you can claim customs duty and CAP RGR as long as you meet the conditions in the checklists at sections [5](#) and [7](#) as appropriate, and you present the following with your import declaration:

- Information Sheet INF3 (and for IPR goods, Information Sheet INF1 too) or
- equivalent documentary evidence confirming that the goods were originally exported from the Customs Union, and at that time satisfied the conditions for acceptance as returned goods.

The UK versions of the INF3 and INF1 are Customs Forms C&E1158 and C&E1143 respectively. We give further details on how to complete and use these forms in paragraph 3.5.

2.3 What are the conditions for relief from VAT?

We outline the conditions for VAT RGR in the checklist at section 6. If you are a taxable person, RGR saves you having to pay and reclaim VAT several times on, for example, goods taken outside the EC on approval and brought back unsold, or tools and equipment which are returned after use outside the EC.

However, if you are registered for VAT, you can still choose as an alternative to claiming VAT RGR, to pay or defer the VAT due on reimportation and subject to the normal rules, deduct it as input tax on your next VAT return. We will issue the usual VAT certificate or VAT copy of the declaration in such cases. Most goods are liable to VAT at the rate of 17.5%, but certain works of art, antiques and collectors' items are entitled to an effective VAT rate of 5%. For full details and conditions, see our Notice 702 VAT Imports.

For VAT purposes, we treat goods returned to the UK from the Special Territories and countries which have customs unions with the EC as imported goods. That is because these areas are outside the VAT fiscal territory of the Community. If you want to claim VAT RGR on such goods, you must declare them on Form C88 and use CPC 49 00 58 or 49 00 63. You can also claim a waiver of the three year time limit (paragraph 2.4) using the former CPC.

2.4 Will Revenue and Customs waive the time limit for customs duty/VAT RGR in certain cases?

Yes. You can still claim customs duty and/or VAT RGR on reimported goods which were exported more than three years ago as long as:

- you meet all other RGR conditions in the checklists at sections 5 and 6 as appropriate and
- special circumstances make it necessary to exceed the time limit at reimportation.

Special circumstances in which we will waive the time limit include when:

- specialised goods return from long-term hire/loan agreements

- building equipment or machinery returns after use in capital projects overseas
- exhibition goods return after long-term display or storage overseas
- collectors' or heritage items originally manufactured in the Customs Union return from overseas after re-acquisition by a UK dealer or investor, for example collectable items of furniture or ceramics and
- professional effects return with home coming expatriates.

If you claim a waiver of the time limit, you must declare the returned goods to CPC 40 00 58 or 49 00 58 as appropriate, or CPC 61 23 04 if you are also claiming VAT zero-rated onward supply to another Member State (paragraph 2.5). These CPCs are a declaration that there are special circumstances to the reimportation which make it necessary to waive the time limit, and that you will justify the waiver if required to do so.

Our visits to confirm that RGR claims are valid will include checks that there are indeed special circumstances for waiver of the three year time limit.

2.5 Can I claim RGR on goods VAT zero-rated for onward supply to another Member State?

Yes. Taxable persons may also claim customs and/or excise duty RGR when the goods are simultaneously released for free circulation without payment of VAT for zero-rated onward supply to another Member State. You can find further information about onward supply relief in VAT Notice 702/7 Import VAT relief for goods supplied onwards to another country in the EC. Use CPC 61 23 04 to claim RGR in these circumstances. You can also claim a waiver of the three year time limit (paragraph 2.4) using this CPC.

2.6 What are the conditions for relief from CAP charges?

We outline the conditions for CAP RGR and the procedures to follow in the checklist at [section 7](#).

2.7 Can I claim relief from excise duty?

Yes. You can claim excise duty RGR as long as all the following conditions are met:

- excise duty on the goods has been previously paid in full in the UK
- the goods were exported from the UK

- you repay any excise drawback or allowance received when the goods were exported
- the goods have not undergone any process outside the UK and
- if the goods were of foreign origin when previously imported into the UK, then they were not:
 - entered for transit or transshipment; or
 - imported temporarily without payment of excise duty and intended for re-export.

You cannot claim excise duty RGR on goods which were exported from the UK and contained spirits which were denatured after delivery from a UK warehouse free of duty.

2.8 Can I claim RGR on goods returned from another Member State?

You cannot claim customs duty and CAP RGR for movements of goods solely between Member States. If you receive Community goods from another Member State via an EFTA country or Romania, under the Community/common transit (CT) procedures you do not need to claim RGR. The CT procedures may also apply if you receive Community goods from another Member State via non-Community territory (other than EFTA or Romania) under a single transport document. See the Transit Manual and our Notice 750 Community/Common transit for full details of the CT arrangements.

The Single Market concept also means that VAT RGR does not apply to goods returned from elsewhere in the fiscal territory of the Community. Goods sent to or from your trading partner in another Member State are neither imports nor exports for fiscal purposes. If you are a taxable person, the VAT rules on acquisition apply to goods returned to you from within the Community for the purposes of your business. If you are a non-taxable person, you need pay no further VAT on goods returned to you from another Member State, as long as you had acquired the goods VAT paid. You can find detailed guidance on the scope of UK VAT on supplies of goods within the Single Market in our Notice 725 The Single Market.

However, you can claim excise duty RGR on goods returned from another Member State if you meet the relevant conditions (paragraph 2.7). Complete Part C of Form C1314 for this purpose, and present it to us along with supporting evidence of previous export from the UK as explained in paragraph 4.1. Goods returned from another Member State on which excise duty RGR is claimed must be accompanied by a simplified accompanying document (SAAD).

2.9 Can I claim RGR on parts, or the residue, of goods previously exported?

Yes, provided the parts or residue can be clearly identified as belonging to the goods previously exported.

2.10 Are there any post import restrictions on goods qualifying for RGR?

No. You are free to do what you like with the goods once they qualify for RGR, including selling them to others or processing/repairing and re-exporting them.

3. Exporting goods for return under RGR

3.1 Must I follow special export procedures for RGR purposes?

No, and you do not need to be prior authorised by us to use RGR. You can export your goods using the full or simplified procedures described in Notice 275 Export procedures. For advice on submitting an export declaration under the New Export System, see Notice 276 The new export system.

By these means, you should then have the export evidence needed to support your claim for relief when the goods are reimported (paragraph 4.2).

However, you might want to use one or more of the following alternatives, particularly if your business regularly involves the temporary export of free circulation goods for subsequent return unaltered:

- RGR CPC 23 00 21 for goods exported as freight - although not mandatory, the advantage of using this CPC is that you can then make a simplified RGR declaration when reimporting your goods (under CPC 61 23 01 - see [section 8](#)) or
- the ATA carnet or
- the duplicate list.

But please note that it is not possible to export excise goods under the ATA carnet or duplicate list procedures. And if removed to another Member State, such goods must be accompanied by a simplified accompanying document (SAAD).

3.2 What are the benefits of the ATA carnet?

The ATA carnet simplifies customs clearance if you temporarily import your goods into, and then export them from, the country to which they are consigned. The carnet replaces the usual customs import and export documentation both in the UK and the other country. Goods should be intended for return to the country where the carnet was issued, and cannot be processed or repaired other than routine maintenance necessary to keep them in their original condition.

Only countries which are party to the Customs Convention on the ATA carnet and the Istanbul Convention, accept the ATA carnet. You can purchase ATA carnets from the Chambers of Commerce & Industry.

We provide full details about the ATA carnet arrangements in Notice 104 ATA and CPD carnets.

3.3 How does the duplicate list procedure work?

It is different from the ATA carnet arrangements as there is no cost involved. But you can only use it to help with the temporary export from, and the subsequent return to, the UK of the following, limited range of free circulation goods travelling with you as accompanied baggage:

- professional effects (such as portable computers, broadcasting equipment, tools, theatrical properties, musical instruments)
- works of art and other items exported solely for exhibition, display or demonstration purposes
- trade samples and
- trophies belonging to a recognised sporting association or organising body permanently established in the UK.

The goods must not be processed or repaired (other than routine maintenance) whilst in a third country. You will still need to complete the customs documentation and give any financial security normally required by the country to which you take your goods.

You cannot use the duplicate list procedure for goods subject to DTI or other Government Department licensing, because licensed goods normally require the use of Form C88.

3.4 How do I export my goods under the duplicate list procedure?

Before leaving the UK you must:

- prepare 2 copies of a list, on company-headed notepaper if possible, which gives:
 - the description;
 - the quantities; and
 - where applicable the serial numbers;of all the goods to be temporarily exported to a third country
- at the end of each copy state the type of goods (for example samples) and the reason for their temporary exportation
- fill in the exporter's name, address and VAT number (if any) on Form C&E1246
- complete Part A of the form
- make prior arrangements with us at your (air)port of export (or, where we do not have a permanent presence, our nearest international trade office) in order to avoid delays at the time of departure and
- on the day of departure, present to us at the Customs Enquiry Point at the (air)port (or other time/venue previously agreed with our international trade office):
 - the goods;
 - both copies of the list; and
 - Form C&E1246.

If we are satisfied that the goods are in free circulation and the documents are in order, we will stamp the lists and Form C&E1246 and return one copy of the list and the Form. You must keep both of these with the goods.

3.5 Do I need to do more if I export goods under the triangulation arrangements?

Yes. When you export goods to a third country and they are returned to another country of the Customs Union, the latter will normally require their trader's application for RGR to be supported by an Information Sheet INF3 and, where applicable, an INF1, or any equivalent documentary evidence. INF1 is an IPR form used to provide information on the amount of relief granted at export which will have to be paid on reimport (paragraph 2.1). The UK versions of the INF3 and INF1 are Customs Forms C&E1158 and C&E1143 respectively.

In some cases you may not have anticipated a triangulation movement. But once you know that the goods will be, or have been, reimported into another country of the Customs Union, and if you wish to facilitate reimport there under RGR, you should present the completed INF3 (and INF1 if applicable) or the alternative documentary evidence to our nearest international trade office, or to us at the (air)port of export if we are in attendance, for authentication. Separate INF forms are required for each export consignment.

Box 10 of the INF3 gives information about the duty status of the goods at the time of export from the Customs Union (that is whether they are goods in free circulation, or processed goods of an IPR operation, or end use goods). You must make the appropriate deletions in Box 10 before we authenticate. For example, if the goods were in free circulation at export, item 10d applies, and you should delete 10b and c.

You should then send the authenticated forms to the person importing the goods in the other country of the Customs Union.

4. Reimporting goods under RGR

4.1 How do I claim RGR on reimportation?

You must complete a full customs import declaration Form C88 unless you:

- used a carnet or the duplicate list procedure for exporting the goods (paragraphs 3.2, 3.3 and 4.3) or
- used CPC 23 00 21 to export the goods (paragraph 3.1), and are now reimporting them to the simplified declaration procedure under CPC 61 23 01 ([section 8](#)) or
- are approved to use other simplified procedures for example under CFSP (Notice 760 Customs Freight Simplified Procedures) or
- are reimporting goods below a certain value by post (paragraph 4.4).

When you fill in Box 37 of the customs declaration you must use the appropriate RGR CPC, see section 8. We provide full details of what is required under the RGR CPCs and guidance on how to complete import declarations in the Tariff, volume 3.

Depending on the CPC, in some cases you will also need to complete claim form C1314 to help establish entitlement to RGR, and in others you will be bound by a specific declaration built into the relevant CPC.

In addition, we cannot normally allow RGR unless at the time of import, you produce acceptable evidence of previous export of the goods from the Customs Union, EC or UK, as appropriate, and their duty status at export. By “duty status” we mean whether the goods are in free circulation, products of an Inward Processing Relief (IPR) operation, or end use goods.

It is important to establish duty status because, in the case of returning goods or any of their components which were previously imported and declared to IPR or end use, you may have to pay some duty. You must declare ex-IPR and end use goods to CPC 40 00 58 and provide details of any duty to be paid on Form C1314 as explained in paragraph 2.1.

You must still prove previous export of the goods from the Customs Union, but if you have tried unsuccessfully to get details of their duty status at export and the amount of any duty to be paid now, we may be able to make enquiries to establish those details for you. Declare the goods to CPC 40 00 58 along with Form C1314 and supporting evidence of previous export, and tell our import officer why you cannot prove duty status. For example, because the previous exporter has gone out of business and you cannot get the information from them.

We will release your goods if we are satisfied that all the conditions for relief are met. If there are any doubts or unresolved aspects concerning the claim, we will still release the goods if you give us financial security (for example a cash deposit or banker's guarantee) to cover the duty and/or tax at stake, either pending production of further evidence from you, or while we undertake any enquiries about duty status for you.

Important: Please bear in mind that you are liable to fines if you make false statements to obtain, or try to obtain, relief to which you are not legally entitled. The goods involved are also liable to forfeiture.

4.2 What is acceptable evidence of export?

Customs certified copy 3 (or an authenticated photocopy) of the export SAD (Form C88 in the UK), or the officially authenticated Information Sheet INF3 (supported by Information Sheet INF1 if appropriate) described in paragraphs 2.2 and 3.5, are the normal forms of evidence to prove that the goods, at the time of previous export from the Customs Union, satisfied the conditions for acceptance as returned goods. If the goods were exported from the UK under the New Export System (NES), quoting the NES declaration reference counts as the equivalent of producing a hard copy of the export SAD copy 3.

We will consider alternative evidence which **clearly** relates to the goods being imported, **and confirms the previous export of those goods and their duty status at export** (that is goods in free circulation, products of an IPR operation or end-use goods). Provided therefore the goods are readily identifiable and duty status is apparent from the details thereon, we may accept one or more of the following documents as evidence:

- a document that proves the goods were previously in the Customs Union (or in the UK for excise duty relief)
- a copy of the export invoice
- a copy of the export airway bill or bill of lading
- a commercial certificate of shipment prepared at the time of export
- a certificate of posting relating to the export of the goods
- a copy of the import invoice if it clearly shows that the goods are being returned

- a suitable statement from the manufacturer or exporter if other than yourself
- a preferential origin Form EUR1 in certain cases (contact our National Advice Service for further details) or
- in the case of collectable items, catalogue information or qualified opinion from collectors' houses such as Sothebys or Christies.

See paragraph 4.1 if you can produce evidence of previous export, but cannot establish the duty status of the goods at that time.

If you are regularly importing returned goods and presentation of the evidence at the time of import is difficult for you, we may be able to offer alternative arrangements – contact our nearest international trade office for details.

4.3 How do I reimport my goods under the duplicate list procedure?

If you used the duplicate list procedure at export (paragraph 3.4), then on your return to the UK you must:

- mark on the copy of the list any goods that have been left abroad and the country in which they were left
- complete Part B of Form C&E1246 by signing declaration 1 and/or declaration 2 and
- present:
 - the goods;
 - the list; and
 - Form C&E1246

to a customs officer in the red channel (or, if we are not in attendance at the (air)port, use the red point phone to speak to an officer and follow their instructions).

4.4 Can I claim RGR on goods reimported by post?

Yes. The same conditions for relief apply but the procedures are slightly different.

For goods arriving by post, ask your sender, if possible, to mark the package:

'RETURNED GOODS'

A customs declaration (CN22 or CN23) must be attached to the package or travel with it. The declaration must include a complete and accurate description of the goods, their quantity and value. If you are registered for VAT, make sure your VAT number is quoted on the declaration.

Depending on the value of the goods, we may send you Form C88 and/or simplified forms to complete and return. If you previously exported the goods, and have a certificate of posting or other export evidence (paragraph 3.1), send that with the completed forms too. If satisfied the goods qualify for relief, we will then release them for delivery free of duty and VAT if appropriate.

If the package is not clearly marked it may not be delivered until you have paid the duty and VAT. You should pay these charges and then write to Revenue and Customs at the postal depot where the goods arrived. Say what happened and enclose the document showing the charges together with any evidence of previous export. If we are satisfied the goods qualify for relief, we will repay the duty and VAT if appropriate.

We provide full details about our postal procedures in Notice 143 A guide for international post users.

4.5 What about goods returned in baggage?

You do not need to make a formal customs declaration to claim RGR on your own personal belongings reimported in accompanied baggage if the conditions for relief are met. However, you must declare any other reimported goods in your baggage, for example commercial samples, at the red channel/red point when you arrive, and we may ask you to make a formal customs declaration claiming RGR.

4.6 Can I claim RGR after the goods have been reimported and customs charges paid?

Normally, you should claim relief at the time of reimport. But if you fail to do this, we may accept a belated claim and repay the appropriate charges subject to certain conditions. See our Notice 199 Imported goods: Customs procedures and Customs debt for further details: the section and paragraphs on repayment and remission under Code Article 236 refer. You will need to support the claim with the documents and evidence required by the relevant RGR CPC (paragraph 4.1 and [section 8](#)) as if the goods had been declared to RGR at the time of reimport.

5. Checklist: entitlement to relief from customs duty

Important: You must meet all conditions 1 to 5 below before we will allow customs duty RGR.

Conditions to be met	Additional guidance
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<p>1. The goods were exported from the Customs Union.</p>	<p>'Exports' for customs duty RGR purposes include:</p> <ul style="list-style-type: none"> • any goods which have been physically sent to a third country • goods shipped as stores on vessels or aircraft which leave Customs Union territorial waters or airspace • goods supplied to work points and platforms on the Continental Shelf outside territorial waters. <p>Note:</p> <ul style="list-style-type: none"> • Goods are eligible for RGR if they have been exported to a place outside the Customs Union, and are returned to the UK via another Member State or country having a Customs Union with the EC where they were not declared for free circulation. • All other goods which have been dispatched directly to and returned directly from another Member State are not eligible for customs duty RGR (see paragraph 2.8). • You must use an ATR Movement Certificate to obtain relief on goods in Chapters 25 to 97 of the Tariff (with the exception of coal and steel products in Chapters 26, 27, 72 and 73) if dispatched directly to and returned directly from Turkey. These goods are covered by the EC-Turkey Customs Union, and customs duty RGR does not apply to their movement within the Union. Notice 812 European Community preferences: Trade with Turkey provides further information about the ATR procedures. You can use the RGR procedures described in this Notice for all other goods dispatched directly to and returned directly from Turkey. • With the exception of certain CAP goods (paragraph 7.1), goods which were previously exported from countries before they joined the EC are eligible for RGR on return from a third country on or after the date they joined. • Goods manufactured in the EC and then placed in an EC free zone or customs warehouse before being sent to another Member State have not been exported for RGR purposes.
<p>2. The goods were:</p> <ul style="list-style-type: none"> • in free circulation; or • products of an IPR operation; or • previously imported under 	<p>These are goods of wholly Customs Union origin (including component parts), or goods imported into the Union on which all the import formalities have been completed, and all the duty due has been paid and not repaid in whole or part.</p>

<p>end-use relief.</p>	<p>Paragraph 2.1 gives more information on IPR and end-use goods. You may have to pay some customs duty on these goods when reimported.</p>
<p>3. The goods were not temporarily exported for process or repair, and are returning in the same state as at export from the Customs Union.</p> <p>(‘Processing’ includes work done on goods, erecting or assembling goods, or fitting them to other goods. It excludes simple use of the goods e.g. the running of machinery or the display of exhibits, and also the dismantling and return of parts from Customs Union goods – see paragraph 2.9).</p>	<p>Goods temporarily exported for process or repair in a third country are not eligible for RGR on reimportation (unless returned unaltered). You should use the Outward Processing Relief arrangements in Notice 235 Outward processing relief for those goods</p> <p>We will allow RGR on goods which did receive some treatment outside the Union as long as:</p> <p>(a) the treatment was limited to:</p> <ul style="list-style-type: none"> • maintaining the goods in sound condition, for example routine servicing or lubrication of machines; or • handling which only altered the goods’ appearance, for example affixing of operating instructions in foreign languages; or • carrying out unforeseen repairs or restoration work on goods which were found to be defective or unsuitable for their intended use, or suffered damage, provided the work (including incorporation of any spare parts): <ul style="list-style-type: none"> - was solely to enable them to be used as intended; and - did not increase their value at the time of export from the Union (N.B. if value did increase, the OPR charging rules under “(b)” will apply); or <p>(b) the goods were exported without the intention of return to the Union, but were found to be defective or unsuitable for their intended use only after a process had begun on them, for example cloth discovered to be the wrong quality after starting to be made up into garments.</p> <p>If that process would have made the goods liable to duty had they been exported under Outward Processing Relief (OPR), the rules in force for charging duty under the OPR arrangements will apply (Notice 235 Outward processing relief).</p> <p>Any process or repair not covered by (a) or (b) will make the goods ineligible for RGR.</p>
<p>4. The goods are declared for free circulation within 3 years of their last export from</p>	<p>You may exceed this time limit in special circumstances. Paragraph 2.4 gives more information.</p>

the Customs Union.	
<p>5. Goods exported from the EC which under the CAP procedures:</p> <ul style="list-style-type: none"> • required an export licence; • were exported under an Advance Fixing Certificate; • were subject to a claim for any refund, or benefited from any other financial advantage; • were subject to any levy; <p>must meet the additional conditions for relief from CAP charges even though they may not be liable to CAP charges at import. If you do not meet the additional conditions, you cannot claim customs duty RGR alone.</p> <ul style="list-style-type: none"> • Whatever their position, you must support CAP goods exported from the EC with a statement from the relevant paying agency in the exporting Member State before we can consider RGR. 	<p>The checklist in section 7 sets out the conditions for CAP RGR, and how you can obtain the paying agency statement.</p>

6. Checklist: entitlement to relief from VAT

All of the following conditions must be met:

Conditions to be met	Additional guidance
1. The goods were last exported from the EC by, or on behalf of, the importer.	For VAT RGR purposes, “exports” include when goods are sent to the areas defined in the checklist for customs duty RGR in section 5, and also when sent to the Special Territories and countries having a Customs Union with the EC.
2. The goods meet conditions 2-5 in the checklist for customs duty	These conditions apply whether or not the goods are potentially liable to customs duty on import.

<p>RGR in section 5.</p>	<p>For VAT purposes, processing and repair includes any done in the Special Territories and countries having a Customs Union with the EC, as well as outside the Customs Union.</p> <p>If the goods are products of an IPR suspension operation on which VAT was previously suspended, you must pay the amount suspended on reimport.</p> <p>If OPR charging rules apply to the goods not originally intended to be reimported (item 3 of section 5), you must pay the relevant VAT on reimport.</p> <p>The 3 year time limit can be exceeded in the same way as for customs duty.</p>
<p>3. In cases other than IPR suspension, if the goods were supplied in, acquired in or imported into the EC before their export, VAT was accounted for or paid and neither has been nor will be repaid as a result of their export.</p>	<p>Repaid does not mean deducted as input tax.</p> <p>Taxable persons who zero-rated goods on export can still claim VAT RGR on reimport of those goods.</p> <p>Goods obtained by individuals which were zero-rated for VAT under any personal export scheme are not eligible for VAT RGR.</p>
<p>4. The goods were not exported with a view to avoiding or abusing the normal VAT supply rules by using RGR. For example, by selling “offshore” to another UK company so that the latter can obtain goods relieved of VAT after reimport by the exporter.</p>	<p>The following are examples of legitimate reasons for reimporting goods sold outside the EC where VAT RGR can still properly be claimed. They include where goods are:</p> <ul style="list-style-type: none"> • rejected by the customer based outside the EC; or • not able to be delivered to the customer based outside the EC; or • re-purchased by the original EC exporter, or sent back to them for repair or renovation.

7. Checklist: entitlement to relief from CAP charges

7.1 Important points to note about claiming relief from CAP charges

The conditions for CAP RGR are explained in items 7.2 to 7.5, **but firstly please note the following important points:**

(a) All the conditions under the checklist for customs duty RGR in [section 5](#), **plus** the conditions in this checklist, apply to goods which under CAP export procedures:

- required an export licence
- were exported under an Advance Fixing Certificate
- were subject to a claim for any refund, or benefited from any other financial advantage and
- were subject to any levy.

If you do not meet these conditions, **you cannot claim either CAP or customs duty RGR** on the goods.

(b) You must still support other CAP goods returned to the UK with the statement referred to in item 7.4 of this checklist, but you need only meet the conditions in the checklist for customs duty RGR in section 5 for such goods.

(c) Because Turkey has not yet adopted the Common Agricultural Policy, you can claim CAP RGR on goods previously exported to, and now returning from, Turkey.

(d) In line with the transitional measures for CAP goods laid down in EC Regulations 1972/2003 and 60/2004, you cannot claim customs duty/CAP RGR on certain goods exported before 1 May 2004 from Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. Instead, you must pay the full customs charges due on release to free circulation. Full details can be found on our website (www.hmrc.gov.uk) as this is subject to change.

7.2 Conditions if a refund was claimed at export

If any refund was claimed under CAP when the goods were exported, you may claim relief from CAP charges on reimportation of the goods as long as:

- the conditions of the checklist at section 5 are met, other than the “export from the Customs Union” rule for goods returning from countries having a Customs Union with the EC and the “3 year” rule which is overridden by the following requirement
- you declare the goods to free circulation within 12 months of their previous export from the EC (we will extend this time limit if you can justify exceptional circumstances)
- the goods could not be used for the purposes intended at export due to circumstances beyond the exporter’s control (item 7.5 of this checklist) and

- the refund claimed at export is repaid to the paying agency in the exporting Member State (in the UK repayment must be made to the Rural Payments Agency (RPA) when requesting the supporting statement at item 7.4 of this checklist).

These conditions also apply if you are gaining any other financial advantage under CAP by exporting and reimporting the goods.

7.3 Conditions if a levy was charged at export

If any levy was charged when CAP goods were exported, you may claim relief from CAP charges on reimportation of the goods as long as:

- the conditions of the checklist at [section 5](#) are met, other than the “export from the Customs Union” rule for goods returning from countries having a Customs Union with the EC and the “3 year” rule which is overridden by the following requirement and
- you declare the goods to free circulation within 12 months of their previous export from the EC (we will extend this time limit if you can justify exceptional circumstances).

If the goods could not be used for the purposes intended at export from the EC due to circumstances beyond the exporter’s control (item 7.5 of this checklist), you may also reclaim any export levy paid from the paying agency of the exporting Member State. In the UK this is the RPA. You should complete Form C1314 and send it to our nearest international trade office who will certify the form and return it to you. You should then send it to the RPA with a covering letter claiming repayment of the levy charged on the goods at export.

7.4 Paying agency statement

(a) General

CAP goods always require a statement from the paying agency in the exporting Member State for RGR purposes. For goods that were exported from the UK, the RPA give these statements.

If the goods were exported from the UK but are being reimported into another Member State, the RPA makes the statement on the INF3 form (UK version C&E1158). Similarly, for goods exported from another Member State and being reimported into the UK, the paying agency in the other Member State gives the statement on their version of the INF3.

(b) Goods exported from and reimported into the UK

If you need an RPA statement for RGR purposes where goods were both exported from and reimported into the UK, you should complete Form C1314 and send it for certification to:

RPA
Lancaster House
Hampshire Court
NEWCASTLE-UPON-TYNE
NE4 7YE

You must have a certified Form C1314 for:

- goods for which an export refund was claimed (you must also send the RPA advice note and a remittance for the amount of the refund due to be repaid)
- goods subject to an export levy and
- goods not subject to refund or levy at export.

Also, for goods subject to a CAP export licence or Advance Fixing Certificate (AFC), you must send any unexhausted or unexpired licence or AFC to the RPA with your completed Form C1314. You do not have to send back the licence or AFC if the goods have been returned because of circumstances beyond the control of the exporter (item 7.5 of this checklist).

When you have an RPA certified Form C1314 you should attach it to your import declaration to support your claim to RGR under CPC 40 00 58.

If you want the goods cleared before you have got the RPA statement, you must give us financial security (for example a cash deposit or banker's guarantee) to cover the import charges due. We will discharge the security once we have the RPA statement (if the statement is qualified, only part may be discharged).

(c) Goods exported from the UK and reimported into another Member State

If you have exported CAP goods from the UK which are to be reimported into another Member State, the customs service in that State may ask for an INF3 to support the reimporter's RGR claim (paragraphs 2.2 and 3.5). For this purpose the paying agency statement is given on the INF3. So you should complete the INF3 (UK Form C&E1158) and send it first to the RPA and then to our nearest international trade office.

If you claimed an export refund, you must send the completed INF3 to the RPA plus their advice note and a remittance to repay the export refund.

If RGR has been claimed in another Member State on triangulation goods which you exported and on which you want to reclaim the standard export levy, you must ask the customs service in the other Member State to certify on a copy of the customs declaration made by the reimporter that the goods:

- have been allowed RGR and
- were returned because of circumstances beyond the control of the exporter (item 7.5 of this checklist).

When you have the certified copy declaration, send it to the RPA with your claim for repayment of the levy.

(d) Goods exported from another Member State and reimported into the UK

If you wish to claim RGR on a triangulation movement of CAP goods ending in the UK you will normally need an INF3 authenticated by both the paying agency and customs service in the Member State of export. If you or your trading partner want to reclaim any CAP levy paid on the export you will have to ask UK Customs to certify a copy of the import declaration that the goods were:

- subject to a standard export levy
- allowed RGR AND
- were returned because of circumstances beyond the control of the exporter (item 7.5 of this checklist).

The paying agency in the Member State of export will repay the standard export levy only if they have this certified copy declaration.

7.5 Goods returned due to circumstances beyond the control of the exporter

Goods returned in the following circumstances are regarded as beyond the exporter's control for CAP RGR purposes:

- the goods or the transport in which they were carried have been damaged before delivery to the consignee
- the goods were exported from the EC to be consumed or sold at a trade fair or similar event and were not consumed or sold
- the goods could not be delivered to the consignee because the consignee was not able to honour the contract under which they were exported
- because of natural or political events or social disturbances, the goods could not be delivered to the consignee, or they reached the consignee after a binding delivery date in the contract under which they were exported
- the goods are fruit or vegetables that were exported for sale on consignment in the market of a non-EC country but were not sold
- the goods could not be entered to home use in the country of destination because of a law in force there or

- the goods are being returned by the consignee because they are defective or not in accordance with the contract under which they were exported.

No other situation is acceptable for CAP RGR purposes.

8. Customs Procedure Codes (CPCs) for RGR

This section summarises the main RGR CPCs and when they can be used. You can find full details of these CPCs in the Revenue and Customs Tariff, volume 3.

CPC...	This CPC....
07 00 03	<p>is for excise goods returned to the UK to be warehoused for excise duty purposes only.</p> <p>The CPC provides relief from customs duty, CAP charges and VAT. You must submit Form C1314 with the import declaration.</p>
07 00 04	<p>is for excise goods returned to the UK to be deposited in licensed or registered premises without payment of excise duty.</p> <p>The CPC gives relief from customs duty, CAP charges and VAT. You must submit Form C1314 with the import declaration.</p>
23 00 21	<p>is for free circulation goods which are being temporarily exported for use in a third country, and ultimate return in an unaltered condition.</p>
40 00 58	<p>allows for relief on reimport of any one or any combination of customs duty, CAP charges, excise duty and VAT, and is for goods not appropriate to any other RGR CPC.</p> <p>You must submit Form C1314 with the import declaration. We will allow release of the goods before production of export evidence, but you will need to give us financial security (for example a cash deposit or banker's guarantee). We will discharge it on receipt of the evidence required.</p>
40 00 59	<p>provides relief from customs duty and VAT on technical equipment reimported by certain marine research bodies approved by us to operate special arrangements for RGR.</p>
40 00 60	<p>is the basic RGR CPC for claiming relief from customs duty only. It does not provide relief from other duties or VAT. It only applies to goods which were in free circulation at the time of export.</p> <p>You should use this CPC only when all other conditions for customs duty RGR are met (checklist at section 5), and you can produce evidence of export and free circulation status with the import declaration.</p>

40 00 63	has the same scope as CPC 40 00 60 but provides VAT relief in addition to customs duty RGR. You should use this CPC when the reimportation meets the conditions set out in the checklists at sections 5 and 6 and there is no VAT to be paid at import under those conditions.
40 71 16	<p>covers goods reimported from outside the Customs Union which are declared to RGR from a customs warehouse.</p> <p>You must quote one of the above CPCs in the 40 00 series in Box 44 of the SAD, and meet all the conditions of, and produce the documentary evidence required by, the latter CPC.</p>
61 23 00	<p>provides relief from customs duty and VAT on EC-owned containers, trailers, pallets and packings (including empty boxes and re-usable lashings).</p> <p>You must have exported the goods, and have had them returned empty to you.</p>
49 00 58	provides relief from excise duty and/or VAT for goods which are Community goods reimported from one of the Special Territories or countries having a Customs Union with the EC. It also provides relief from CAP charges if required. You must submit Form C1314 with the import declaration.
49 00 61	is the equivalent to CPC 61 23 00 and used to claim relief from VAT on containers, trailers, pallets and packing reimported from one of the Special Territories or countries having a Customs Union with the EC.
49 00 63	can be used if you are claiming relief from VAT only on goods reimported from one of the Special Territories or countries having a Customs Union with the EC, and there is no VAT to be paid at import under the conditions laid down in section 6.
49 71 16	<p>covers goods reimported from the Special Territories or countries having a Customs Union with the EC which are declared to RGR from a customs warehouse.</p> <p>You must quote one of the above CPCs in the 49 00 series in Box 44 of the SAD, and meet all the conditions of, and produce documentary evidence required by, the latter CPC</p>
61 23 01	<p>is used only for free circulation goods last exported as freight under the temporary export procedure (CPC 23 00 21).</p> <p>The simplified import declaration procedure under this CPC provides relief from customs duty and VAT if the importer and exporter are the same person.</p>
61 23 04	provides relief from customs and excise duties on goods in free circulation at export, which are now reimported for simultaneous release

	for free circulation without payment of VAT for zero-rated onward supply to another EC Member State.
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9. Glossary

ATA Carnet: A document accepted by countries party to the ATA Convention which facilitates the temporary import and export of goods and replaces normal customs documentation. "ATA" stands for "Admission Temporaire" in French i.e. Temporary Admission.

CAP charges: Charges arising from the Common Agricultural Policy - duties, agricultural component charges and countervailing charges.

CAP goods: All those listed in Notice 780 Common Agricultural Policy (CAP) Import Procedures and Special Directions for Certain Goods.

CFSP: Customs Freight Simplified Procedures.

Common Transit: A customs procedure for the carriage of goods between the EC, the EFTA countries and Romania, and between the EFTA countries themselves.

Community goods: Goods which wholly originate (including component parts), or are in free circulation, in the EC.

Community Transit: A customs procedure that allows goods to be moved from one point in the EC to another. It is mainly for goods not in free circulation.

CT: Community/common Transit.

Customs duty: A tax we charge on imported goods under the Combined Nomenclature of the Community. This also includes charges having equivalent effect e.g. anti-dumping duty.

Customs Procedure Code (CPC): Used on customs declaration Form C88 to identify the procedure for which the goods are declared.

Customs Union: The customs territories of the EC, Turkey, San Marino and Andorra. The unions between the EC and these countries enable most goods in free circulation to move freely between them without the need to claim duty relief, subject to the production of any necessary preference or Community Transit documentation. For Andorra, the union only covers goods in Chapters 25-97 of the Tariff. VAT is still due on imports from Turkey, San Marino and Andorra however unless the relief explained in this notice is applicable and claimed.

DTI: Department of Trade and Industry.

Duty and tax: Customs duty, CAP charges, excise duty and VAT.

EC: European Community. For the countries concerned, see "Member State" below.

EFTA: European Free Trade Association comprising Iceland, Norway, Switzerland and Liechtenstein.

End Use goods: Goods imported from outside the EC are granted favourable rates of duty, provided they are put to prescribed use within set time limits.

Exempt persons: Importers who are not registered for VAT or registered taxable persons who are reimporting goods otherwise than in the course of their business.

Excise duty: An indirect tax on beer, wine, made-wine, cider, perry, spirits, mineral oil, cigarettes and other tobacco products.

Goods in free circulation: Goods of wholly Customs Union origin (including component parts), or goods imported into the Union on which all the import formalities have been completed, and all the duty due has been paid and not repaid in whole or part.

IPR goods: Non-free circulation goods brought into the EC to be processed then exported/re-exported with relief from duty and tax.

Member State: A country within the EC (i.e. Austria, Belgium, Cyprus*, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, the Republic of Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the UK).

*The European Commission has advised that the application of the Community Customs Code and 6th VAT Directive shall be suspended in those areas of Cyprus in which the Government of the Republic of Cyprus does not exercise effective control. Goods from those areas will continue from 1 May 2004 to be treated as non-EC imports.

OPR goods: Community goods or goods held under IPR arrangements sent for processing outside the EC and returned to the EC.

RPA: Rural Payments Agency

Special Territories: Countries or areas that are part of the customs territory of the Customs Union but not part of the fiscal (VAT and excise) territory. Goods coming from these territories are therefore liable to VAT and excise duty (if appropriate) unless the relief explained in this notice is applicable and claimed. The territories are: the Åland Islands, the Canary Islands, the Channel Islands, French Guiana, Guadeloupe, Martinique, Mount Athos and Reunion.

Tariff: The Tariff is a 3 volume annual publication which is updated monthly containing useful information about customs import and export requirements.

Taxable person: Importers who are registered for VAT and are reimporting goods in the course of their business.

Third country: A country or place outside the Customs Union.

VAT: Value Added Tax

Do you have any comments?

We would be pleased to receive any comments or suggestions you may have about this notice. Please write to:

**HM Revenue and Customs
Duty Suspensions and Reliefs Team
6TH floor South
Portcullis House
27 Victoria Avenue
Southend on Sea
Essex SS2 6AL**

Please note this address is **not for general enquiries**. You should ring our National Advice Service about those.

If you have a complaint or suggestion

If you have a complaint please try to resolve it on the spot with our officer. If you are unable to do so, or have a suggestion about how we can improve our service, you should contact one of our Regional Complaints Units. You will find the telephone number under 'Customs and Excise - complaints and suggestions' in your local telephone book. Ask for a copy of our code of practice 'Complaints and putting things right' ([Notice 1000](#)). You will find further information on our website at <http://www.hmce.gov.uk>.

If we are unable to resolve your complaint to your satisfaction you can ask the Adjudicator to look into it. The Adjudicator, whose services are free, is a fair and unbiased referee whose recommendations are independent of Customs and Excise.

You can contact the Adjudicator at:

**The Adjudicator's Office
Haymarket House
28 Haymarket
LONDON SW1Y 4SP**

Phone: (020) 7930 2292
Fax: (020) 7930 2298
Email: adjudicators@gtnet.gov.uk
Internet: <http://www.adjudicatorsoffice.gov.uk/>

Update 1 issued January 2007

On 1 January 2007 Bulgaria and Romania will join the European Union. The total number of Member States will rise to 27.

This update provides information on the additional countries to be included in section 9.

Amendment

9. Glossary

Member state

After the list of EC states **insert**

'Plus from 1 January 2007, Bulgaria and Romania'

Update 2 issued October 2007

The table below lists the changes to this update:

Section	Amendments
Page 3	<p>"What do I do if I disagree with a Revenue and Customs decision?"</p> <p>This title line should be bullet-pointed as paragraph 1.4.</p>
In addition	<p>Replace the current text with:</p> <p>You have a right of appeal if you disagree with any decision we make. There is an independent appeals mechanism for most HMRC decisions. This involves a two-stage process. The first stage is an independent Departmental review by HMRC. The second stage, if required, provides for an appeal to an independent VAT and Duties Tribunal. The following time limits apply:</p> <ul style="list-style-type: none"> • You have 45 days from the date of the written notification of the decision by HMRC, to ask for a formal Departmental review. • HMRC then have 45 days from receipt of your letter in which to carry out the review and notify you of the outcome. • If following the formal review you still wish to pursue the matter, you have 30 days to lodge your appeal with the tribunal. <p>You can find full details in Notice 990 - Excise and Customs Appeals, which is available from our VAT Excise and Customs Duties Advice Line on 0845 010 9000, or from the Department's website at www.hmrc.gov.uk</p>
Page 4, Section 2.1, under IPR goods	<p>Change listed CPC:</p> <p>Instead of 40 00 58, use 61 23 F01.</p>

<p>Page 4, Section 2.1, under End-Use goods</p>	<p>Make two amendments:</p> <p>Delete the text reference (for example, 90 00 38) and ignore this example.</p> <p>Instead of 40 00 58 use 61 23 F01.</p>
<p>Page 5, Section 2.3, last paragraph</p>	<p>Change listed CPCs:</p> <p>Instead of using either 49 00 58 or 49 00 63, only use 49 00 F01 in both cases.</p>
<p>Page 6, Section 2.4</p>	<p>Change listed CPCs:</p> <p>Instead of 40 00 58, use 61 23 F01. Instead of 49 00 58, use 49 23 F01. Instead of 61 23 04, use 63 23 F01.</p>
<p>Page 6, Section 2.5</p>	<p>Change the listed CPC:</p> <p>Instead of 61 23 04, use 63 23 F01.</p>
<p>Page 8, Section 3.1</p>	<p>Change the listed CPCs:</p> <p>Instead of 23 00 21, use 23 00 000. Instead of 61 23 01, use 61 23 F01.</p>
<p>Page 11 & 12, Section 4.1</p>	<p>Change listed CPCs:</p> <p>Instead of 23 00 21, use 23 00 000. Instead of 61 23 01, use 61 23 F01. Instead of 40 00 58, use 61 23 F01.</p>
<p>Page 21, Section 7.4 (b)</p>	<p>Change listed CPC:</p> <p>Instead of 40 00 58, use 61 23 F01.</p>
<p>Page 23, 24 & 25, Section 8</p>	<p>Change listed CPCs:</p> <p>Instead of 07 00 03, use 68 00 F01. Instead of 07 00 04, use 68 23 F01. Instead of 23 00 21, use 23 00 000. Instead of 40 00 58, use 61 23 F01. Instead of 40 00 59, use 61 23 F01. Instead of 40 00 60, use 61 23 F01. Instead of 40 00 63, use 61 23 F01. Instead of 40 71 16, use 40 71 006. Instead of 61 23 00, use 61 23 F01. Instead of 49 00 58, use 49 23 F01. Instead of 49 00 61, use 49 23 F01. Instead of 49 00 63, use 49 23 F01. Instead of 49 71 16, use 49 71 004.</p>

	Instead of 61 23 01, use 61 23 F01 . Instead of 61 23 04, use 63 23 F01 .
Page 27, Section 9	'Do you have any comments?' - amend the address to: HM Revenue & Customs Customs and International Directorate Facilitation Team 6th Floor South Portcullis House Victoria Avenue Southend-on-Sea ESSEX SS2 6AL